

By applying, applicants agree that the value for merchandise covered by all entry summaries filed by them or on their behalf on or after October 1, 1995 until the end of the tax year or March 31, 1996, whichever comes first, shall be finally determined by the liquidation of the reconciliation filed in accordance with the test. The Office of Regulatory Audit will review the application to determine that the applicant has met all eligibility requirements.

Documentation Required to Support Reconciliation

The approved participant shall maintain and produce upon Customs request all relevant documentation to support the change in the entered value. The reconciliation shall include the following information:

1. The entry numbers and entry dates, total entered value and ports of entry of all entries filed with Customs falling within the scope of the test.
2. Broken down by entry number, a cumulative list of units imported by classification number and the change (final entered value) to that entered value.
3. Proposed duty due pursuant to reconciliation.

In order to support the reconciliation, the approved applicant shall maintain and produce upon Customs request all relevant documentation to support the change in entered value. The approved applicant may be required to provide any or all of the following documentation:

1. The IRS Schedule M-1, and the Form 1120 Corporate Tax Return.
2. Any and all other supporting documentation filed along with the M-1 and the Form 1120 that was furnished to the IRS.
3. Any or all IRS documents or communications with the participant regarding the relevant 482 adjustment.
4. Any and all documentation including any books and records or computerized data to relate the 482 adjustment to the entries filed with Customs.

Such information and supporting material should be provided in a format or electronic media commonly in use. Examples are an IBM compatible computer 3.5 disk utilizing a software product such as Access or Excel or other similar spreadsheet or database application such as Lotus 1, 2, 3.

Verification

Customs Regulatory Audit, in conjunction with other Customs disciplines, will determine if any verification effort is necessary to establish the accuracy of the details

submitted. The extent of the verification will be determined by Regulatory Audit, and if an audit is required, established Regulatory Audit procedures will be followed.

Eligibility Criteria

In order to qualify for this test of reconciliation, importers must have reason to believe they may invoke the IRS regulations to make upward adjustments to the price of the imported merchandise. Importers must provide, on an entry-by-entry basis, the electronic entry of merchandise and the electronic entry summary of required information (ABI). Other requirements and conditions are as follows:

1. The test only applies to the related party transactions engaged in by participants who qualify under Internal Revenue Service Section 482 requirements to make upward adjustments and which are not subject to Antidumping/Countervailing Duty proceedings.
2. Participants' tax year must end between October 31, 1995 and March 31, 1996.
3. Customs decision to allow a company to participate in the test program will be made in consultation with the Internal Revenue Service.
4. Each participant must provide U.S. Customs with the methodology that will be used to arrive at the final price of the imported merchandise.
5. Each participant agrees that appraisal is under section 402(f) of the Tariff Act of 1930, as amended by the Trade Agreements Act of 1979, if, in fact, an upward section 482 adjustment is made for tax purposes.
6. Entries involving merchandise under this test will not be eligible for drawback.

Selectivity Criteria

The Office of Regulatory Audit, in conjunction with other Customs disciplines, will review the application to ensure the eligibility requirements are met. All applicants who meet the eligibility criteria will be allowed to participate, provided no other Customs office objects.

Objectives of the Test

The objectives of this test are:

1. To work with the trade community to further compliance in the value area regarding related party transactions.
2. To allow companies intending to make Internal Revenue Service Section 482 adjustments, which may ultimately result in an upward adjustment to the price for merchandise, the opportunity to reconcile their business operations regarding U.S. Customs and Internal

Revenue Service requirements applicable to related party transactions.

3. To determine if reconciliation is a viable method to ensure a coordinated and consistent Customs response to Internal Revenue Section 482 adjustments which result in the upward adjustment of the Customs valuation under Section 1059A.

5. To test the type of information needed by Customs to process a reconciliation.

Test Evaluation Criteria

The criteria which will be used to evaluate whether or not reconciliation is a viable means to allow importers which make upward adjustments to the price of imported merchandise will be based on measurable outcomes which include:

1. The number of participants;
2. Customs resources expended to administer and monitor the program;
3. Customs resources expended to verify final reconciliation entry claims and the methodologies applied;
4. Amount of additional revenue collected;
5. Survey of participants on the conduct of the test and its effect on their business operations; and
6. IRS and Census satisfaction with the results of the test.

Dated: August 30, 1995.

Edward F. Kwas,

Assistant Commissioner, Office of Strategic Trade.

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UNITED STATES INFORMATION AGENCY

Culturally Significant Objects Imported for Exhibition Determination

Notice is hereby given of the following determination: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985, 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978 (43 FR 13359, March 29, 1978), and Delegation Order No. 85-5 of June 27, 1985 (50 FR 27393, July 2, 1985), I hereby determine that the objects in the exhibit, "Pandora's Box: Women in Classical Greece" (see list ¹) imported from abroad for the temporary exhibition without profit within the United States, are of cultural significance. These objects are imported pursuant to loan agreements with the

¹ A copy of this list may be obtained by contacting Ms. Carol Epstein of the Office of the General Counsel of USIA. The telephone number is 202/619-6981, and the address is Room 700, U.S. Information Agency, 301 4th Street, SW., Washington, DC 20547.

foreign lenders. I also determine that the temporary exhibition of the objects at the Walters Art Gallery, Baltimore, MD, from on or about November 5, 1995, to on or about January 7, 1996, and, at the Dallas Museum of Art, Dallas, TX, from on or about February 4, 1996, to on or about March 31, 1996, is in the national interest.

Public notice of this determination is ordered to be published in the **Federal Register**.

Dated: August 29, 1995.

Les Jin,

General Counsel.

[FR Doc. 95-21930 Filed 9-1-95; 8:45 am]

BILLING CODE 8230-01-M

Culturally Significant Objects Imported for Exhibition Determination

Notice is hereby given of the following determination: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985, 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978 (43 FR 13359, March 29, 1978), and Delegation Order No. 85-5 of June 27, 1985 (50 FR 27393, July 2, 1985), I hereby determine that the objects to be included in the exhibit, "Impression of France: Monet, Renoir, Pissarro, and their Rivals" (See list ¹), imported from

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abroad for the temporary exhibition without profit within the United States, are of cultural significance. These objects are imported pursuant to a loan agreement with the foreign lenders. I also determine that the temporary exhibition or display of the listed exhibit objects at The Museum of Fine Arts, Boston, Massachusetts from on or about October 4, 1995, to on or about January 14, 1996, is in the national interest. Public Notice of this determination is ordered to be published in the **Federal Register**.

Dated: August 30, 1995.

Les Jin,

General Counsel.

[FR Doc. 95-21931 Filed 9-1-95; 8:45 am]

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